

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

Gregory Scott  
Ellen Gavin  
Marshall Johnson  
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Phyllis A. Reha

Chair  
Commissioner  
Commissioner  
Commissioner  
Commissioner

In the Matter of an Inquiry into Possible Effects  
of the Financial Difficulties at NRG and Xcel  
Energy on Northern States Power Company  
and its Customers and Potential Mitigation  
Measures

ISSUE DATE: January 6, 2003

DOCKET NO. E,G-002/CI-02-1346

DOCKET NO. E,G-002/CI-02-2034

In the Matter of an Investigation and Audit of  
Northern States Power Company's d/b/a  
Xcel's Service Quality Reporting

ORDER BIFURCATING PROCEEDING,  
GRANTING INTERVENTION AND  
CLARIFYING APPLICABILITY OF METER  
READING ISSUES

**PROCEDURAL HISTORY**

On October 22, 2002 the Commission issued its ORDER REQUESTING ADDITIONAL INFORMATION AND AUDIT (Order for Audit) in this docket.

On October 29, 2002, the Energy Cents Coalition (Energy Cents) filed a petition to intervene in this docket.

On November 12, 2002, the Minnesota Department of Commerce (the Department) requested that the Commission open a separate docket to focus specifically on service quality reporting issues identified in the October 22, 2002 Order. In addition on November 12, 2002, the Department filed separate comments regarding the intervention of Energy Cents Coalition.

On November 26, 2002, the Commission met to consider this matter.

## **FINDINGS AND CONCLUSIONS**

### **I. SEPARATE DOCKET FOR SERVICE QUALITY REPORTING**

#### **A. Background**

One of the issues discussed in the October 22, 2002 Order is Xcel's service quality reporting. Based on input from the Department of Commerce (Department) and the Residential and Small Business Utilities Division of the Office of the Attorney General (RUD-OAG), the Commission concluded that an outside audit of Xcel's service quality reporting was appropriate. Ordering paragraph 14 states:

(Audit of Service Quality Reporting) The Residential Utilities and Small Business Division of the Office of the Attorney General and the Minnesota Department of Commerce shall arrange for an audit of the Company's repair and maintenance records, to be paid for by Xcel, bringing all relevant competencies to that task such as auditing, engineering, interviewing.

#### **B. The Department's Request**

The Department recommended that the Commission open a new docket, separate from the current Docket No. E,G002/CI-02-1346, to implement the portion of the Commission's October 22, 2002 Order that directed the RUD-OAG to direct an independent audit and investigation of Xcel's service quality reporting, to be paid for by the Company.

The Department argued that issues concerning service quality reporting are distinct and separable from the financial issues and that creating such a separate docket would provide protection for company employees and facilitate targeted information gathering.

#### **C. Commission Analysis and Action**

The Commission agrees that it will be preferable to treat the issues concerning service quality reporting in a separate docket and will open a new docket to do so. This will provide maximum clarity to the parties regarding the issues to be addressed and the manner of doing so.

### **II. INTERVENTION REQUEST**

#### **A. Energy Cents' Petition to Intervene**

Energy Cents petitioned to intervene in this matter, stating that as a non-profit member organization dedicated to promoting affordable utility service for low and fixed income people, it is concerned about the potential financial difficulties as they affect NSP's customer service quality. Among other things, Energy Cents stated that any potential service quality degradation because of

potential financial concerns will adversely affect low income people. Energy Cents noted that it has participated in legislative and regulatory efforts to establish new rules for utility service quality standards and that, for this reason, it is interested in the application and enforcement of those rules. Energy Cents also stated that no other party can more adequately address the interests of low and fixed income people.

## **B. Parties' Comments**

The Department stated that if the independent audit of Xcel Energy's outage reporting becomes the subject of a discrete docket, it does not object to the intervention by Energy Cents in the remaining Docket No. E,G002/CI-02-1346. The Department stated that if a non-government entity (such as Energy Cents) sought in the future to intervene in the separate audit docket, the Department likely would oppose such efforts.

No other party filed comments regarding Energy Cents' request.

## **C. Commission Analysis and Action**

The Department indicated that it had no objection to Energy Cents' request to intervene in this matter, provided the Commission agreed to remove the service quality reporting investigation from this docket and establish a separate docket for that subject. The Commission has agreed to do so. Finally, Energy Cents has indicated that its interest is in the docket thus redefined and has expressed no interest to intervene in a newly established docket investigating Xcel's service quality reporting.

In these circumstances, the Commission finds that there is no opposition to Energy Cents' request to intervene in the current docket (Docket No. E,G002/CI-02-1346) as redefined in this Order. Accordingly, Energy Cents' request to intervene in this matter (i.e., minus the service quality reporting investigation) is deemed granted pursuant to Minn. Rules, Part 7829.0800, subd. 5.

## **III. METER READING ISSUES**

As part of its petition, Energy Cents urged that as part of this docket the Commission investigate alleged meter reading irregularities. The Department opposed that recommendation on the grounds that such allegation are being addressed as part of the compliance phase of another docket, Docket No. E,G002/CI-97-863.

The Commission finds that the Department is correct that such allegations are being addressed as part of the compliance phase of another docket, Docket No. E, G-002/CI-97-863. Therefore, it is not necessary to specifically include the meter reading issues from Docket E,G002/CI-97-863 in this proceeding. The Commission clarifies, however, that to the extent any meter reading issues are relevant or related to the financial difficulties being reviewed in this docket, parties should address those issues in their comments.

## **ORDER**

1. A separate docket (Docket No. E,G-002/CI-02-2034) is hereby established to investigate and audit Xcel's service quality reporting.
2. Energy Cents' petition to intervene in this matter is deemed granted pursuant to Minn. Rules, Part 7829.0800, subd. 5.
3. The meter reading issues from Docket No. E, G-002/CI-97-863 are not specifically included in this docket, but to the extent any meter reading issues are relevant or related to the financial difficulties being reviewed in this docket, parties should explain that relevance and address those issues in their comments.
4. This Order shall become effective immediately.

BY ORDER OF THE COMMISSION

Burl W. Haar  
Executive Secretary

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